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February 13, 2019

VIA U.S. MAIL AND EMAIL

Kimberly W. Strach
Executive Director
North Carolina State Board of Elections
P.O. Box 27255
Raleigh, NC 27611-7255

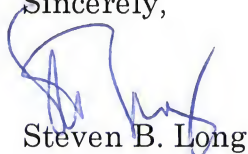
Re: Lease Agreement with Legislator's Campaign Committee

Dear Ms. Strach:

I am writing on behalf of the Philip E. Berger Committee ("Committee"). In 2016, Senator Berger and his wife entered into a lease agreement with the Senator's campaign committee to provide housing to Senator Berger while he is in Raleigh on official business. Before entering into the lease agreement, the Committee received the attached advisory opinion from you as the Executive Director of the State Board of Elections. You confirmed that such a lease agreement was in compliance with campaign finance laws.

Now that the State Board of Elections is under new leadership, we would appreciate your confirming that the attached advice is still valid. We want to make sure that the Committee remains in compliance with campaign finance laws. Please let me know if you require additional information to respond to this request. Thank you for your assistance.

Sincerely,


Steven B. Long

Enclosure

cc: The Honorable Philip E. Berger
Mr. Dylan Watts

ND: 4818-2465-4983, v. 1

Steven B. Long

From: Strach, Kim <kim.strach@ncsbe.gov>
Sent: Thursday, July 14, 2016 12:30 PM
To: Long, Steven B.
Cc: Patton, Joe; Strange, Amy
Subject: RE: Philip E. Berger Committee - Lease of Raleigh townhouse

Steve,

As you are aware, candidate committees are permitted to spend their campaign funds for expenses that are the result of running and/or holding public office. It is not uncommon or impermissible for legislative candidates to spend their campaign funds for housing here in Raleigh. Expenditures for this purpose are permissible as provided in GS 163-278.16B(a)(2). Regarding the entity paid for housing, there are no statutes in Chapter 163 that define the type of entity that may act as a landlord for a candidate or other political committee. Therefore, there is no prohibition against paying the LLC, even if the property owners are Senator and Mrs. Berger. With respect to the lease amount, the Committee must ensure that the lease amount paid is fair market value and does not exceed fair market value in order to ensure that an impermissible expenditure is not made by the Committee.

If you have questions or need additional guidance, please let me know.

Best regards,
Kim

From: Long, Steven B. [mailto:stevenlong@parkerpoe.com]
Sent: Thursday, July 14, 2016 10:37 AM
To: Strach, Kim
Cc: Patton, Joe
Subject: Philip E. Berger Committee - Lease of Raleigh townhouse

Dear Kim:

I am writing on behalf of the Philip E. Berger Committee ("Committee"). The Committee plans to lease a townhouse in Raleigh owned personally by Senator Berger and his wife for use by Senator Berger when he is in Raleigh on legislative business. The lease rate will be based upon fair market rental rates in the local area. The Committee will make lease payments to a single-member limited liability company owned by Senator Berger that will be responsible for managing the property and accepting rent payments on behalf of the property owners, Senator and Mrs. Berger. Can you confirm that this expense by the Committee is an appropriate use of campaign committee funds pursuant to N.C. Gen. Stat. 163-278.16B? Please let me know if you need additional information.

Thank you and best regards, Steve

Steven Long
Partner